

NO. 63257

**APPLICATION FOR PERMISSION TO CHANGE POINT OF
DIVERSION, MANNER OF USE AND PLACE OF USE OF THE
PUBLIC WATERS OF THE STATE OF NEVADA
HERETOFORE APPROPRIATED**

NEW PRIORITY DATE:

Date of filing in State Engineer's Office JUL-18-1997 SEPT 13 2000

Returned to applicant for correction _____

Corrected application filed _____

Map filed JUL 18 1997

The applicant Butcher Boy Mines, Inc. hereby makes application for permission to change the point of diversion of water heretofore appropriated under Permit 57273

1. The source of water is underground
2. The amount of water to be changed 2.0 cfs
3. The water to be used for mining, milling, and domestic
4. The water heretofore permitted for mining, milling, and domestic
5. The water is to be diverted at the following point within the NE1/4 NE1/4 of Section 26, T.21N., R.23E., M.D.B.&M. or at a point from which the W1/4 corner of Section 24, T.21N., R.23E., M.D.B.&M. bears N 05° 53' E a distance of 2,958.0 feet.
6. The existing permitted point of diversion is located within the NW1/4 SW1/4 of Section 24, T21N, R23E, M.D.B.&M., or at a point from which the W1/4 corner of said Section 24 bears N 45° W a distance of 50.00 feet.
7. Proposed place of use unchanged
8. Existing place of use Section 26 and the NE1/4, SW1/4, and SE1/4 of Section 27, T.21N., R.23E., M.D.B.&M.
9. Use will be from January 1 to December 31 of each year.
10. Use was permitted from January 1 to December 31 of each year.
11. Description of proposed works well, pump, and pipeline to the mining operations
12. Estimated cost of works \$150,000
13. Estimated time required to construct works 1 year
14. Estimated time required to complete the application of water to beneficial use 1 year
15. Remarks: Annual consumptive use is not to exceed 100 acre feet annually.

Desert Mountain Surveying as agent
By John H. Milton III, PLS, SWRS
s/ John H. Milton III
146 West Second Street
Winnemucca, NV 89445

Compared gkl/cms dl/cms

Protested _____

63257

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion of the waters of an underground source as heretofore granted under Permit 57273 is issued subject to the terms and conditions imposed in said Permit 57273 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the Proof of Completion of Work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

A monthly report shall be submitted to the State Engineer within 10 days from the end of each month which shall include the amount of water pumped from the well and the amount of water used.

The total combined duty of water under Permits 57273, 63257 and 64513-T shall not exceed 100.0 acre-feet annually.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.02 cubic feet per second, but not to exceed 1.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

May 5, 1999

Proof of completion of work shall be filed before:

June 5, 1999

Application of water to beneficial use shall be filed on or before:

May 5, 2000

Proof of the application of water to beneficial use shall be filed on or before:

June 5, 2000

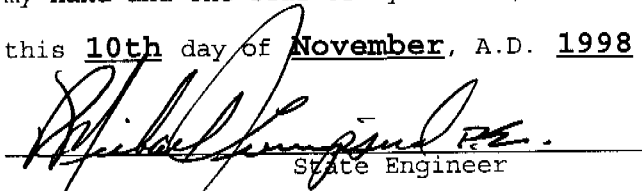
Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 10th day of November, A.D. 1998


State Engineer

Completion of work filed JUL 08 1999

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

~~CANCELLED~~ AUG 17 2000
~~BECAUSE OF FAILURE~~
~~OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT~~
Turnipseed, P.E.
~~STATE ENGINEER~~
Can rescinded 10-13-00